Appendix A

Surprised by Tito: Anatomy of an Intelligence Failure

Documentation

SURPRISED BY TITO: ANATOMY OF AN INTELLIGENCE FAILURE

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To all but the hard left or the naive in Washington's foreign policy establishment, the Soviet Union and its allies in 1948 were involved in a more or less open conspiracy to dominate the world. It was a period of certainty and peril. In China, Mao Zedong's army had renewed its civil war against the Nationalists while communist forces in Southeast Asia were in various stages of revolt against feeble colonial regimes. In the Near East, Soviet-led probes had recently been turned back in Iran and Turkey, but a civil war in Greece, supported from communist Yugoslavia, was well under way. In Eastern and Southern Europe, communist regimes transparently subservient to the Soviets were consolidating authority and communist parties in Western Europe were working to subvert democratic governments. The conspiracy was directed from Moscow and communist parties everywhere were known to be the Kremlin's loyal servants.

What was so apparent in Soviet bloc unity, however, proved not necessarily to be real after 28 June 1948. At a meeting in Bucharest, Romania, the Communist Information Bureau—composed of most of the communist parties of Eastern and Southern Europe and two from Western Europe—issued a communique condemning one of the Cominform's hitherto most highly esteemed brethren, Yugoslavia, for pursuing domestic and foreign policies hostile to the Soviet Union.[1] Although the Kremlin had indicated displeasure with communist parties in the past through public criticism and liquidation, it had never read a party in firm control of a country out of the communist movement.

The West was surprised. Students of the communist world have generally assumed in the years since the split became public that informed noncommunist observers had no way of knowing what was coming.[2] More recently, once-classified documents have emerged from American and British archives that cast light on what both governments knew and thought about developments in Yugoslavia before the schism with Moscow became public knowledge. Using those documents, this study reassembles what the West knew and thought about Yugoslavia's internal politics and its relations with

[1] For the text of the resolution, see Robert Bass and Elizabeth Marbury, ed., *The Soviet-Yugoslav Controversy, 1948-58: A Documentary Record* (New York: Prospect Books, 1959), pp. 40-46.

[2] See, for example, Adam B. Ulam, *Titoism and the Cominform* (Cambridge: Harvard University Press, 1952), p. 106, who writes that "any man who, prior to January 1948, would have predicted a break Tito and Stalin would be entitled today to be honored as a profit with occult powers of predicting the future but certainly not as an expert basing his prognosis upon factual evidence." See also Hamilton Fish Armstrong, *Tito and Goliath* (New York: Macmillan, 1951), pp. 88, and Ernst Halpern, *The Triumphant Heretic, Tito's Struggle Against Stalin* (London: Heinemann, 1958).

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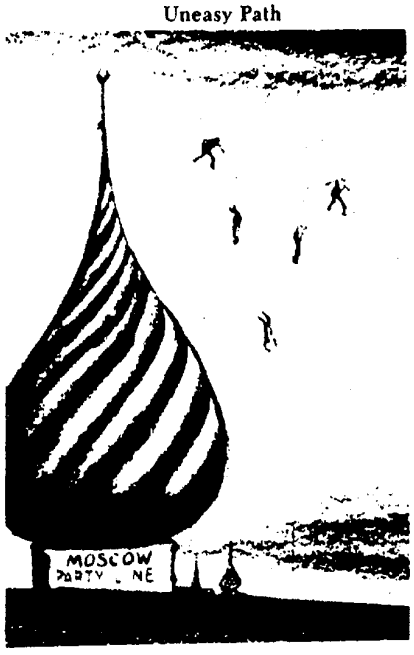
Moscow, and attempts to determine why Washington, in particular, was caught unaware. The study draws on documents from the American and British embassies in Belgrade, the Department of State, the Department of Defense, the Central Intelligence Agency, the White House, and the British Foreign Office and from secondary sources and other contemporary records. The documents tell the story of a major political intelligence failure.

Split

Yugoslav-Soviet relations in the late 1940s have been thoroughly studied and documented.[3] Notwithstanding the superficial gloss of comradely affections evident from the war through early 1948, and despite Yugoslavia's headlong rush into the postwar Soviet satellite system, Marshal Josef Stalin apparently took an early dislike to Marshal Josip Broz Tito and his Partisans. It was bad enough that they pursued economic policies that drained scarce Soviet bloc resources, were too confrontational with the West, and had regional ambitions that challenged the Kremlin's supremacy in the communist world. What Stalin could not abide was that the Yugoslav communists also ran their own country and, thus, posed a bad example to the more servile satraps in Stalin's current and future empire.

The Yugoslavs had a long list of grievances against Moscow as well. While many Partisans seemed to nurture an almost childlike affection for Moscow throughout their prewar and wartime struggles, the scales fell from their eyes as they got to know their Soviet friends better. Particularly galling were Soviet efforts to recruit Yugoslavs as spies, but a variety of other irritations encroached on the relationship. By late 1947, the Yugoslavs reluctantly concluded, as many Soviet clients would subsequently, that Moscow's aid was insufficient, exploitative, poor in quality, and tendered with a heavy hand.



The relationship began to unravel in early 1948. Angered by recent statements by Tito and Bulgarian Communist Party boss Georgi Dimitrov calling for a Balkan federation, Stalin summoned both men to Moscow. At a tense meeting on 10 February with Dimitrov and a senior Yugoslav delegation—Tito remained safely at home—Stalin chas-

[3] In addition to the works cited above, see: Milovan Djilas, *Conversations with Stalin* (New York: Harcourt, Brace & World, 1962); Vladimir Dedijer, *The Battle Stalin Lost, Memoirs of Yugoslavia, 1948-1953* (New York: Viking Press, 1970); Vladimir Dedijer, *Tito Speaks* (London, 1953); Stephen Clissold, *Djilas, The Progress of a Revolutionary* (New York: Universe Books, 1983); Phyllis Auty, *Tito, A Biography* (London: Longman, 1970).

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tised the Bulgarian leader for his unauthorized statements. The Yugoslavs read the rebuke as criticism of Tito as well, and when Stalin inexplicably urged that a union of Yugoslavia and Bulgaria go forward, they demurred.

On 1 March, Tito summoned senior party leaders to a meeting in which Stalin's call for a union with Bulgaria was interpreted as a device to use the Soviet-penetrated Sofia regime to control the Yugoslav party and state. The group, in a near unanimous vote, rejected the federation.[4]

On 18 March, the Soviets informed Belgrade that their military advisers and instructors were being recalled. The next day, Moscow withdrew its civilian advisers. In the name of the Central Committee, Tito and other senior party leaders drafted a letter on 20 March expressing surprise at the Soviet move, suggesting that Moscow was misinformed about events in their country—an allusion to Soviet espionage—and reaffirming their loyalty to the Soviet Union. Stalin replied in a letter to the Yugoslav Central Committee that denigrated its party and suggested that senior members were traveling down the road paved by Leon Trotsky.[5] In subsequent letters, Moscow's tone became graver and Belgrade's more defiant. Stalin clearly expected that pro-Soviet loyalists within the Yugoslav party would force the expulsion of Tito and his loyalists.

Americans Besieged

Unaware of the struggle, the West was impressed more by what appeared to unite Tito and Stalin than by what divided them. Tito had been increasingly hostile to the West since late 1944, an attitude highlighted in August 1946 when his fighters shot down two unarmed American aircraft that strayed over Yugoslav territory. He pursued an aggressive regional policy that laid claim to territory in Austria and to the British- and US-occupied port city of Trieste. He fueled the Greek civil war in hopes of absorbing an expanded Macedonia. He signed treaties of friendship with Moscow and other communist countries, integrated his economy into the Soviet bloc system, brought in Soviet military and economic advisers and, alone among his East European peers, enthusiastically rejected participation in the Marshall Plan. With rare exceptions, Tito's propaganda organs piped a chorus of praise for the Soviets and scorn for the West.

The regime was especially hostile toward the US Embassy. The UDBa, the regime's Soviet-modeled secret police, arrested and executed some of the embassy's local employees for involvement in American-controlled espionage and subversion, arrested or harassed embassy visitors, arrested Americans not protected by diplomatic immunity, shut down the United States Information Agency office, curtailed the embassy's use of its aircraft, and insisted that locals

[4] Dedijer, *The Battle Stalin Lost*, p.101.

[5] The letters between the Yugoslav and Soviet central committees were leaked to the press, presumably by Belgrade, shortly after the split was made public and are published in Bass and Marbury, *The Soviet-Yugoslav Controversy*.

who worked for the embassy double as spies.[6] By February 1947, the embassy's Charge d'Affaires ad Interim, John M. Cabot, complained to the State Department that the campaign was "a deliberate Yugoslav Government campaign to intimidate and humiliate (the) embassy and perhaps put it out of business." While he noted that the embassy and Washington's policy had given the government some legitimate cause for complaint, it was "basically but wolf's excuse for malevolent course they would have followed in any case."[7]

After Cabot turned over his duties to incoming Ambassador Cavandish Cannon in the summer of 1947, the regime's treatment of the embassy and its consulate in Zagreb continued to be unsatisfactory. One result of the harassment was that embassy reporting was curtailed. Political officers got their best information from occasional contacts with senior government officials. Opportunities existed for visual observation by those who attended public functions or took closely watched drives or walks through the city or into the countryside. Officers also obtained information from other non-communist bloc missions who appeared to have access to a wider slice of Yugoslav life.

In addition to its small and harassed political section, the embassy had a variety of attaches who collected some information—a limited sample suggests that one topic of focus was anti-regime resistance groups—but none, apparently, of political value.[8] According to a political officer serving in Belgrade at the time, the mission did not have access to clandestine sources of information.[9]

Although controlled by the regime, the Yugoslav media were also a valuable source of information. In Belgrade, this included the party newspaper *Borba*, the Belgrade-based Cominform journal *For a Lasting Peace, for a People's Democracy* and other Yugoslav and Soviet bloc press and radio sources. The regime permitted reporting by resident and visiting Western journalists, who apparently exchanged information with Western embassies. Foreign communist and non-communist media available outside Yugoslavia, reported through US Foreign Broadcast Information Service, the Western press, or other US missions, also afforded occasional insights into developments within the country and into its external relations.

Western Observations

Although the Yugoslav vitriol that poured on the West remained undiluted, observers in Belgrade began detecting signs that the regime was under

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[6] The regime's harassment of the US mission is well documented in US, Department of State, *Foreign Relations of the United States* (hereafter cited as *FR*), 1945, V (see, for example, telegram, Patterson to Secretary, 28 November 1945, pp. 1291-2; the overall chill in Tito's relations with the West began in late 1944) (Washington, DC: GPO, 1967); *FR*, 1946, VI, pp. 867-99 *passim* (Washington, DC: GPO, 1969); *FR*, 1947, IV, pp. 744-815 *passim* (Washington, DC: GPO, 1977).

[7] Telegram, Cabot to Secretary, 15 February 1947, *Ibid.*

[8] For an example of reporting from the Military Attache Office in the US Embassy in Belgrade, see Report No. R-32-48, 22 January 1948, "800 Yugo Underground" folder, Box 112, Records of the US Embassy in Belgrade, Record Group (hereafter cited as RG) 84, Suitland National Record Center (hereafter cited as SNRC).

[9] Charles G. Stefan: "The Emergence of the Soviet-Yugoslav Break: A Personal View from the Belgrade Embassy," *Diplomatic History*, Winter 1981, p. 403.

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significant stress as early as January 1948. Ambassador Cannon and his British colleague, Sir Charles Peake, were struck by the hitherto buoyant Tito's less than confident pose in public. Several days after Tito's dispirited New Year's Day performance, Cannon was summoned to an unusual private audience with Tito who appeared, in the ambassador's view, "uneasy about American plans" and seemed to believe it was "useful to have contact with American representatives." [10]

Later in the month, Peake reported to London that the Marshal gave another timid performance at a public speech in Zagreb. At the Foreign Office, the head of the southern department collated the Ambassador's description of a subdued Tito, a recent article in *Pravda* that was sharply critical of Dimitrov's proposed Bulkan federation, and a "mysterious" report that Tito's portraits had been taken down in Budapest and drew a conclusion: "Stalin had recently thundered! And to some effect!" [11]

The American embassy also noticed in January that the Yugoslavs were mixing their usual harassment and slurs with signs of reconciliation. After the press launched a scurrilous attack alleging immoral acts by a US Army Graves Registration unit working in Yugoslavia to reclaim bodies of American servicemen lost during the war—Peake cabled London that it represented "a low level which must be a record even for totalitarian countries" [12]—Cannon complained to Assistant Foreign Minister Alesh Bebler. Bebler, apparently embarrassed, claimed that the press attacks had been instigated by the interior minister. Later in the month he attended a ceremony where the remains of American war dead were embarked for home. He described the event to the State Department as "one of (the) most impressive ceremonies held here since liberation and perhaps (the) best official Yugoslav-US demonstration in Yugoslav history." He speculated that Tito had personally encouraged Yugoslav participation.[13]

By March, signs of domestic distress were multiplying. Show trials for spies, economic saboteurs, and other "robbers of the people" became so numerous that the British embassy ceased enumerating them. "So many people," observed Peake, "are discovered to have robbed the State of so much that one begins to doubt honesty of human nature in the country." [14]

In mid-April, Cannon reported to the department "only (the) most startling of recent developments."

— Domestic and international civil air flights had been canceled on 7 April.

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[10] On Tito's speech, see telegram 15, Cannon to Secretary, 5 January 1948, 860H.659/1-548, RG 59, National Archives (hereafter cited as NA). The conversation with Tito is reported in Cannon to Secretary, 3 January 48, *FR*, 1948, 1054-6.

[11] See notes by R.A. Syke and G. Wallinger on cover sheet of Peake's No. 1, 16 January 1948, to Foreign Office (hereafter cited FO) 371/72578, S7877, Public Records Office, London (hereafter cited PRO).

[12] Peake to Foreign Office, 8 January 1948, FO 371/72578, S7877, PRO.

[13] Telegram 90, Cannon to Secretary, 21 January 1948, 711.60H/1-2148, RG 59, NA.

[14] Peake to Foreign Office (No., 226), 11 March 1948, FO 371/72578, S7877, PRO 72566.

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— Civilian freight movements on state railways were apparently curtailed and the express passenger train from Belgrade to Sarajevo was canceled.

— Orders had been issued for a drastic cut in gasoline rations and a large number of cars assigned to office holders had been withdrawn. One rumor held that no officer below the rank of general was allowed an automobile.

— There were more guards near houses of prominent officials.

— Staple foods in markets were scarcer, possibly the result of forced stockpiling.

— There were numerous rumors that Russian families were leaving Belgrade. Soviet patronage of the diplomatic store, once a prominent feature of Soviet community life, had practically disappeared.

— The Russian children's school was closed.

Cannon noted that a "wholly unnatural quiet has overlain all these disparate particulars." Yet he was hesitant to construct an "inclusive theory to account for all or most (of) these possibly coincidental factors." [15]

As background noise to these unusual events, Moscow's propaganda continued to back its Balkan client while Belgrade's praise for the Soviets reached absurd heights. On 16 April, the embassy reported an editorial in the newspaper *Politika* that extolled the 3-year-old Yugoslav-Soviet friendship treaty in language that was either a masterpiece of irony or a pitiful plea for reconciliation: "Since the end of the war the Soviet Union has proven that it has no other interest in Yugoslavia other than to live in the best relations and to offer every assistance in its development and recovery." The Yugoslav party's love for the Soviet Union was "unmeasurable." The country's independence, it concluded, "will be tied to the existence of the Soviet Union and the friendship of the great Russian people we will guard as we would the pupils of our eyes." [16]

Tito, meanwhile, continued downcast in public and, on one significant occasion, was absent. In late April, the American embassy reported that his "failure to make (a) customary foreign policy declaration as at previous openings (of the) People's Assembly sessions (was) probably (a) most important and certainly most surprising development." The embassy explained his nonperformance—he merely watched others speak—by noting that he had "little to boast about" for his exertions in foreign affairs, especially after the Italian communists lost a national election.[17] The Marshal also avoided a brief stopover ceremony for Bulgarian Premier Dimitriov, who was passing through Belgrade by train. "In view press reports Tito in attendance yesterday's session National Assembly," reported the embassy's deputy chief of mission, R. Borden Reams, "it may be significant that top Stalinist leaders in southeastern

[15] Telegram 443, Cannon to Secretary, 16 April 1948, 800 folder, RG 84, SNRC.

[16] Dispatch 327, Cannon to Secretary, 16 April 1948, "710 Yugo-USSR" folder, RG 84, SNRC.

[17] Telegram, 505, Cannon to Secretary, 28 April 1948, 800 folder, RG 84, SNRC.

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Europe apparently made no effort to utilize opportunity for conversations." Reams did not venture what the significance might be.[18]

Several days later, the embassy noted signs that Yugoslav nationalism was asserting itself more forcefully. At the May Day ceremonies there was "apart from reduced enthusiasm, . . . an emphasis on specific Yugo character. Last year Stalin and Lenin by pictures and tribute shared honors with Tito. This year Tito far outshone them in size, number and prominence of pictures and slogans. In fact Marx and Engels occupied second place in new iconology with Stalin and Lenin finishing poor third." This ceremony stood in contrast to a Partisan victory day celebration the previous fall when exaltation of the Soviets far surpassed celebration of the Partisans' triumph. Cannon offered only a tactical explanation for the change. It seemed "entirely possible" that "earlier Russian emphasis found public here more unresponsive than was hoped." [19]

By May, Yugoslav diplomats were also beginning to hint at their government's problems with Moscow to British and American diplomats. In a conversation with British officials in London early in the month, Deputy Foreign Minister Bebler indicated he was "chiefly anxious (to) enlarge (the) scope (of) Anglo-Yugoslav trade." According to his account to the Americans, he was "studiously moderate and friendly and obviously anxious to give impression of being good European who wanted to re-establish former friendly normal relations between this country (the UK) and Yugoslavia." [20]

On 5 May, Foreign Ministry official Srdja Prica expressed an interest in expanding foreign trade with the United States—not a new theme in the US dialogue with Belgrade—during a dinner conversation with Reams. When Reams attempted to defer discussion, Prica, he reported, "went on to state that we should not imagine the Yugoslavs found it any easier to deal on economic matters with the Russians than they did with us. The Russians squeezed every possible advantage out of them during negotiations." [21]

Two Red Herrings

Meanwhile, the Yugoslav Communist Party was moving to purge its ranks of "Cominformists." The most significant purge occurred in the first week of May when Andrija Hebrang and Sreten Zujovic were arrested and expelled from their party and government positions. Both men were Central Committee members. Hebrang was minister for light industries and had recently been head of the more important Planning Commission. Zujovic was minister of finance and, during the war, had been second to Tito as deputy commander in chief. Both men were eventually accused publicly of opposing the regime's ambitious Five Year Plan—a plan the Soviets also thought was too ambitious—and of being pro-Cominform. Zujovic, in addition, was accused of passing

[18] Telegram 523, Reams to Secretary, 29 April 1948, 780H.74/4-2948, RG 59, NA.

[19] Telegram 544, Reams to Secretary, 3 May 1948, Box 111, RG 84, SNRC.

[20] Telegram 32 to Belgrade, Douglas to Secretary, 8 May 1948, 710 folder, box 105, RG 84, SNRC.

[21] The Prica conversation is recounted in fuller form in memorandum of conversation by Reams, 802.1 folder, Box 114, RG 84, SNRC; and, in shorter form, in telegram 579, Cannon to Secretary, 7 May 1948, 711.60H/5-748, RG 59, NA.

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accounts of Yugoslav Central Committee meetings to the Soviet embassy in Belgrade. Yugoslav officials and Western historians have subsequently speculated that the Soviets hoped to build a new, thoroughly purged Yugoslav party around the two men.

Initially, however, the government was silent on the reasons for their ouster and even mute on the fact that they had been arrested. Within several weeks, articles in the local press accused them of rightist economic activity, but hints that they were Stalinist stooges came out only after the split was made public.[22] In the absence of official explanations for the pair's fall, the Western embassies were left to speculate about the real cause, and they drew the wrong conclusions.

According to Peake, the French ambassador believed they were toppled due to direct pressure from Moscow because they favored a policy of going easy on collectivization.[23]

Peake initially reported rumors that both men were "to some degree invalids" which "may be the cause of their removal." "On the other hand," he noted, there had "recently been rumors of imprisonment of certain high officials." [24] A week later, Peake upgraded the significance of the removals to "one of the most important events in history of the communist regime in Yugoslavia." [25] On 22 May, he learned from a source "on very friendly terms with Madam Hebrang" that the UBDa had visited Hebrang's house four times in one day, removing, consecutively, Hebrang, his wife, their children, and their possessions. Zujovic, according to "well informed circles," also had been arrested.[26]

Peake confessed that it was "difficult to say what it all amounts to." It had been "known for some time that there has been a considerable cleavage in the highest ranks of the Party about both the speed and the methods of the Five Year Plan." Senior party officials had been pressing for "absolute ruthlessness" in carrying out the plan "while Hebrang and Zujovic have been on the side of caution and adaptability." They were thus being "convicted of heresy" and, Peake reasoned, "all those influences which in the past have been in favor of connexations (sic) with the West are, if possible, to be eliminated." [27]

Tito's role in the purge was unclear to Peake. He reminded London that he had "firmly" believed that Tito had "always been in favor of good relations with the West." Presently, he was unsure of where Tito stood and his mission was unable to tap the only two sources who might tell him. Whatever Tito did,

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[22] Although the British and American embassies had reported the removal of the two men in early May, the American embassy noted official government pronouncements of their fall in June. See telegram 756, Cannon to Secretary, 22 June 1948, 860H.00/6-2248, RG 59, NA. Explanations, informed by inside knowledge and hindsight, appear in the studies cited in footnote two and three above.

[23] Peake to Wallinger, 18 January 1948, FO 371/72630, S7877, PRO.

[24] Peake to Foreign Office, 6 May 1948, FO 371/72566, S7877, PRO.

[25] Peake to Foreign Office (No. 477), FO 371/72578,S7877, PRO.

[26] Peake to Geoffrey, 22 May 1948, FO 371/72578, S7877, PRO.

[27] *Ibid.*

(Continued...)

the ambassador was sure that he would "dare not" take actions that "might diminish his standing with the Kremlin." [28]

Cannon agreed with his Western colleagues. In a telegram to Washington on 20 May he cited an "usually reliable source" as claiming that their dismissal was due to their opposition to the Five Year Plan and their belief that the drive to total socialism should be relaxed. The embassy also believed that the recent appointment of a security police chief as second in command after Tito indicated that the party faced a major purge that would make the harassed leadership "hesitate to venture new external adventure." [29]

In early June, US Consul General Theodore J. Hoenthal in Zagreb—who was, according to an American intelligence report, "virtually unable to function" because of government restrictions [30]—reported that he had recently received information on Zujovic from "a contact who spoke with a semi-literate local communist recently." Party cadre, the consul learned, had recently been told that Zujovic had been an American spy since 1921.[31]

Hohenthal also reported that suicides in Zagreb were up considerably.[32]

Diffuse Observations

By late May, the American embassy was becoming slightly bolder in its analysis. Shortly after the party announced it would hold a congress in July, Cannon advised Washington that the move implied "that confidence of some party adherents in local regime's ability to move forward rapidly and boldly in new Stalinist world is faltering; it suggests that intra-party conflict and deviationism on part high ranking party functionaries more acute and of greater proportions than had heretofore been suspected." More than a week later, the embassy expanded its analysis by noting that things had not gone well for Tito's foreign and domestic ventures. The Greek adventure was going sour and the pretension to territory in Austria was being rebuffed. The arrest of senior party leaders showed high-level problems. The public was apathetic and the regime's confidence was faltering. There was no hint in the analysis of a problem between the Yugoslavs and the Soviet Union.[33]

The embassy, meanwhile, continued delving into the propaganda served up bi-monthly in the Cominform journal and noted some interesting trends. On 1 June, it reported, the journal—correctly presumed to reflect the Kremlin's line—published an editorial that stressed the importance of "searching self-criticism and strict adherence to basic Marxist-Leninist organizational principles." [34] A week later, the embassy wondered if the "categorical and

[28] *Ibid.* See also Peake to Bevin, FO 371/72578, S7877, PRO.

[29] Telegram 629, Cannon to Secretary, 20 May 1948, 800 folder, Box 113, RG 84, SNRC.

[30] "Top Secret Summary for the Secretary," 3 May 1948, Xerox 2055, George C. Marshall Library, Lexington, Virginia (hereafter cited GCML).

[31] Dispatch 95, Hohenthal to Cannon, 10 June 1948, 800 files, Box 109, RG 84, SNRC.

[32] *Ibid.*

[33] Telegram 659, Cannon to Secretary, 27 May 1948, 800B "Yugoslav Communist Party" file, Box 122, RG 84, SNRC. The same point was also made in Cannon to Secretary, 8 June 1948, *FR*, IV, 1948, pp. 1070-2.

[34] Telegram 680, Cannon to Secretary, 3 June 1948, 800 files, Box 112, RG 84, SNRC.

almost strident nature" of the editorial directive to the satellite parties did "not partially reflect Kremlin's genuine disquiet at discovery diversionist in top hierarchy" of Yugoslavia's "hitherto tight-knit Party." The defection of men of the background and influence of Zujovic and Hebrang "must have disturbed even purge-hardened Politburo." [35]

The embassy also detected another propaganda development that it apparently did not report promptly to Washington. On 25 May, it observed that Tito received no congratulatory message from Stalin on his birthday in contrast to the effusive note he had received in the previous year.[36]

Washington's Perceptions

In the spring of 1948, the attention of senior policymakers in Washington turned largely to developments in the world outside of Yugoslavia. Although the State Department kept the White House informed of key cables received from southern Europe, President Truman's public and private papers suggest that he rarely took note of the region. When he did, his comments were apparently not upbeat. Talking to a group of business and trade paper editors in April, he observed that for every 1,000 miles one proceeded east from the west coast of Europe, "the value of the human as an individual and the value of the human life descends in the scale." In Yugoslavia, several hundreds of miles deep in Europe, "Tito murdered more than 400,000 of the opposition . . . before he got himself firmly established. . . ." [37]

The deputy director of the State Department's Office of European Affairs, Llewellyn Thompson, explained the administration's inattention to the area in a June conference of the department's Balkan experts in Rome. "Congressional committees," he observed, had been "stepping into the executive field" and had "obliged many top officials in the department to spend a great deal of their time testifying before them." There was also "the great lack of interest in the United States in Balkan questions." "Above all" the Soviet Union "absorbed the interest of the American people." [38]

Documents from the working levels of the department—the Bureau of European Affairs, the Southern European Division, and the Policy Planning Staff—indicate that interest in Yugoslav internal developments and external relations were confined largely to the Yugoslav desk, where the focus was diffuse. Questions about relations between Moscow and Belgrade apparently did not arise. The key operational question was whether to continue maintaining American missions in Soviet satellite countries in the face of the regimes'

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[35] Telegram 710, Cannon to Secretary, 9 June 1948, 800 files, Box 113, RG 84, SNRC.

[36] This was noted, somewhat belatedly, in telegram, Reams to Secretary, 18 June 1948, *FR*, IV, 1948, p. 1073.

[37] US President, *Public papers of the President of the United States, Harry S. Truman* (Washington, D.C.: GPO, 1964), p. 232.

[38] "Report of the Conference on the Implementation of the Treaties of Peace, Rome, Italy, June 14-21, 1948," *Ibid.*, p. 354.

(Continued...)

hostility toward the West, their increasingly ruthless efforts to consolidate power, and their apparent subservience to Moscow.[39]

Responding to embassy reporting, the Southern European Division noted, nevertheless, that something was amiss in Yugoslavia in April, although it could not explain what or why. Late in the month, the division chief, Bernard C. Connolly, communicated his concerns to the senior levels of the department. In a memorandum drafted for European Office Director John D. Hickerson to send to Under Secretary of State Robert Lovett, Connolly listed a number of the recent disquieting developments in Yugoslavia. They included protests of US aircraft flights over Yugoslav territory, cancellation of domestic and civil aviation, establishment of a 10-mile closed frontier zone along the Greek border, curtailment of civilian freight movement, shortages of staple foods, the denial of a permit to allow the embassy plane to be based in Yugoslavia, and pressure to reduce the size of the Zagreb consulate staff. Hickerson endorsed the memorandum with a note to Lovett suggesting that he might be interested in the information, although there was no need for any action at this time.[40]

The Hickerson/Connolly memorandum was screened out of Lovett's reading by an aide who saw little point in bothering the under secretary with a list of "more or less coincidental manifestations of internal problems" without interpretation. The note was committed to the files with an observation by the chief of the "Policy Registry Branch" that either the Yugoslavs were facing acute economic problems as a result of the dislocation of European trade or they were preparing for some more direct action either in Greece, Trieste, or with the Soviets in Central Europe.[41]

The White House received reports on Soviet bloc countries directly from the CIA—in late-February the President was notified that the Yugoslav and other Soviet bloc ambassadors had suddenly been recalled from Washington [42]—but there is no other evidence suggesting that it received much information on Yugoslavia. If Truman or other senior officials had foreknowledge of the Tito-Stalin rift from tightly held intelligence reporting, they did not let on to the working levels of government.

Available declassified finished intelligence assessments, probably most that were prepared, suggest that internal political developments in Yugoslavia were, at most, only occasionally considered and there were no doubts about the solidarity of the Soviet-Yugoslav relationship.

The Secretary of State's bi-weekly "Top Secret Summary" lumped Yugoslavia with other Balkan countries in a brief assessment in early May by noting

[39] See *Ibid.*, pp. 279-363 for an assemblage of key documents relating to US policy toward the Balkan region.

[40] Memorandum, Hickerson to Lovett, 23 April 1948, 711.60H/4-2348, RG 59, NA. This was printed without attachments in *FR*, IV, 1948, p. 1067.

[41] Memorandum, Barnes to Smith, 26 April 1948, 711.60H/4-2348, RG 59, NA. Reprinted in part in IV, 1948, p. 1067.

[42] Telegram, Grantham to Leahy (from Hillenkoetter), 25 February 1948, White House Message Traffic 1948, Box 3, Robert L. Dennison Papers, Harry S. Truman Library.

the harassment of American missions in the area.[43] A month later, the summary noted the recent high level changes in the government and cited "a recent report that a large number of army officers in the Belgrade area had been arrested." Belgrade had recently "indicated a preoccupation with an expansion of trade with the UK" and hints had "been dropped about a possible compromise in Greece." These straws in the wind presaged, perhaps, "at least a fainter heart for the big-power role which the Yugoslavs have been trying to play in European affairs." [44]

The State Department's Office of Intelligence and Research produced only one report on Yugoslavia's political scene in the first half of 1948, a biographic assessment in January of members of the recently reformed government.[45] CIA assessments from its small analytical component, the Office of Research and Estimates, apparently did not address Yugoslav politics or Moscow's relations with its satellites.[46] The analytical group of the agency's US Foreign Broadcast Information Service, the Foreign Propaganda Division, did not alert policy makers to anything unusual.[47]

Late in April, Army intelligence noted the unusual happenings of the early spring noted by the embassy and added some of its own (rumors of the arrival of Soviet personnel and equipment, Soviet support for Yugoslavia's position in Trieste to the detriment of the cause of Italian communism) in a memorandum for the chief of staff. Although the actions, it concluded, might be part of a war of words, "it is difficult to escape the conclusion that Yugoslavia may have definite plans afoot for some sort of military action. . . . The possibility cannot be excluded that the Yugoslavs are now making preparations to enable them to lend substantial assistance to the Greek guerrillas or to support a communist uprising in Italy." [48]

The Quarrel Goes Semi-Public

By early summer, the editorial war between Moscow and Belgrade became more visible. Less than two weeks after the Cominform organ stressed the need for searching self-criticism in its 1 June article, a senior Yugoslav party official argued forcefully in a *Borba* editorial that the dictatorship of the proletariat and its structural mechanism, as outlined by Stalin, had been greatly perfected by Tito.[49] On 15 June, the Cominform journal sharply criticized communists who "in fog eulogy and exaggerated self-praise" stifled criticism and failed to recognize their own shortcomings. "A non-Marxist atti-

[43] "Top Secret Summary for the Secretary," 3 May 1948, Xerox 2055, GCML.

[44] "Top Secret Summary for the Secretary," 7 June 1948, Xerox 2055, GCML.

[45] OIR Report 4599, 21 January 1948, RG 59, NA. The Office of Intelligence and Research was a direct descendant of the analytical Research and Analysis section of the Office of Strategic Services. A list of its reports for this period and most of the reports themselves are open to researchers at the National Archives.

[46] Many hardcover CIA assessments for late 1940s, which were intelligence community documents published under a CIA cover, are available at the Truman Library.

[47] The FBIS Propaganda Analysis Division published a weekly report that analyzed Soviet and bloc broadcast propaganda.

[48] Memorandum for the Chief of Staff, 20 April 1948, Yugoslavia 350.05, Army Intelligence Project Decimal File 1946-48, RG 319, SNRC.

[49] New York *Times*, 13 June 1948, p. 3.

(Continued...)

Tito

Breaking Through

tude towards criticism and self-criticism" was, the article charged, often the outcome of "conceit." French and Italian communists were specifically exempt from the criticism and, by the process of elimination, the American embassy in Belgrade assumed that it targeted Tito or Dimitrov or both.[50]

Oblique signs of trouble between Moscow and Belgrade were also emerging in Washington. A Yugoslav delegation, after months of wrangling, on 11 June initialed the general outlines of an agreement with the State Department that unfroze Yugoslav gold and other assets (an amount over $60 million) held in the United States since the war, in exchange for a settlement of American private and government claims against Yugoslavia. Given the protracted dispute over the issue and Belgrade's sudden willingness to compromise, the settlement probably struck some in the department as sudden.[51]

The next day, the Soviets sent a note to the State Department suggesting that a conference on navigation of the Danube River, due to begin on 30 July in Belgrade, be convened in the capital of another Danube state. The meeting had been planned since 1946 and Moscow had proposed Belgrade as the host city as late as March 1948. The reason the Soviets gave for the change of venue was that Belgrade's facilities were now judged to be inadequate.[52]

On 16 June, the Yugoslavs rebelled. Foreign Minister Stanoje Simich summoned Charge Reams to the Foreign Office—Cannon was out of the country—to explain that the Soviet note had been based on Simich's own personal observations to the Russians about the difficulties of holding the conference in Belgrade. The Yugoslav Government, Simich continued, did not share his opinion. "Consequently my government asks that you inform the US Government that all measures are taken without any obstacles whatsoever to make certain Danubian conference is held on July 30 in Belgrade." In reporting the conversation to the department in an urgent cable that evening, Reams noted that it was curious that as recently as two days before, Simich had told him that all arrangements had been made for holding the conference in Belgrade.[53]

Simich conveyed a similar message to the British ambassador. Earlier in the day, however, Peake had also seen Bebler, who expressed "unrestrained resentment" over the Soviet snub and said, as Peake recounted to Reams, that no reason existed for not holding the conference in Belgrade. The Soviets,

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[50] Telegram, Reams to Secretary, 18 June 1948, *FR*, 1948, IV, p. 1074.

[51] The issue of frozen reserves is described in Memorandum by the Chief of the Division of Southern European Affairs to the Under Secretary, 7 January 1948, *Ibid.*, pp. 1058-63; also see "Editorial Note" in *Ibid.*, p. 1093.

[52] The Embassy of the Soviet Union to the Secretary of State, 11 June 1948, *Ibid.*, pp. 614-5.

[53] Telegram, Reams to Secretary, 16 June 1948, *Ibid.*, p. 615.

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Bebler implied, had acted on their own initiative without fully consulting Belgrade.[54]

Also on 16 June, the American legation in Budapest cabled the department that the "almost complete lack of news of Tito or Yugoslavia (was the) most conspicuous feature (of the) Hungarian press recently. This may give rise to current rumors that Tito now (is) in disfavor with (the) Kremlin." [55] Several days before, a Canadian diplomat told a political officer of the American embassy in Belgrade of a report from his own embassy in Moscow that there had been a noticeable decrease in Soviet press coverage devoted to Yugoslavia.[56]

The British and American Embassies Make a Call

Both the British and Americans in Belgrade realized that an event of considerable significance had occurred and so reported to their respective governments. Their conclusions varied sharply.

In a lengthy report to the Foreign Office on 18 June, Peake cited several recent developments that indicated Tito was in trouble with Stalin. One bit of evidence came from the French ambassador, who had heard from the French minister in Bulgaria, who had a conversation "with a certain professor who stands in fairly high regard in the Bulgarian Party," who had heard from the Soviet ambassador in Sofia—such is the stuff of political intelligence—that Stalin had recently sent Tito a "rocket." Peake also reported a rumor, to which "there may well be some truth," that Tito had gone to Moscow to make peace with Stalin.[57]

Peake speculated that the real reason for difficulty in the relationship lay not so much in the ideological heresy of the Yugoslav party as in the fact that it "has tended to get too big for its boots." Although his analysis was largely noncommittal, it conveyed the impression that there was a split between Stalin and Tito, but one that might well be cleared up by Yugoslav submission. In London, the chief of the Foreign Office's Southern Department was confident that neither "the top Yugoslav communists nor their colleagues in the other Orbit countries will fail to toe the line if the Kremlin gets tough." [58]

The American embassy under Charge Reams took a more definitive line:

> Embassy feels Yugoslav response Soviet Danube conference note first direct and irrevocable challenge any satellite to supreme authority communist overlords in Kremlin. Tito's apparent decision to challenge Stalin instead of recanting past errors may well be most significant political event here since US recognition and may even presage possibility split in Soviet bloc if breach allowed to widen. For first

[54] Telegram 734, Reams to Secretary, 16 June 1948, 840.811/6-1648, RG 59, NA.

[55] Telegram (Budapest 982), to Secretary, 16 June 1948, 860H.00/6-1248, RG 59, NA.

[56] Telegram, Reams to Secretary, 18 June 1948, *FR.*, 1948, IV, p. 1073.

[57] Letter, Peake to Wallinger, 18 June 1948, and telegram 614, Peake to Foreign Office, 18 June 1948, FO 371/72630, S7877, PRO.

[58] Ibid.; the views of the Foreign Office officials are written on an attached routing slip.

(Continued...)

> time in history Soviet Union is faced with consolidated communist regime power outside own borders willing to risk independence or even contrary course.

Reams pointed to the Cominform journal's blast, the recent *Borba* article, and the absence of birthday greetings to Tito from Stalin. The "seemingly precipitate settlement US claims coupled with renewed expressions interest in expanding western trade could reflect decision to seek greater independence from Soviet economic bloc." On the basis of this evidence, he was "convinced that definite split exists." [59]

According to the recollection of one Foreign Service officer who played a key role in drafting the cable, the next 10 days were among the longest he could remember.[60] The State Department's response was silence. The US Embassy in Moscow "laughed off" the assertion of a split, according to one historian.[61] When he returned to Belgrade, Ambassador Cannon expressed concern that his staff had been too bold in its analysis and at one point suggested to Reams that he might start hedging.[62] Soon, however, another rumor—that Cominform headquarters were to be transferred from Belgrade and that the Serb-Croat edition of the Cominform journal was being discontinued—provided support for Reams' thesis. Within a few days—28 June—the reputations of Reams and his staff were retrieved by the Cominform communique in Bucharest reading the Yugoslavs out of the world communist movement.

Political Surprise

A schism that had serious ramifications for the West existed between Belgrade and Moscow for almost half a year before the West appreciated what had happened. This was a failure in political intelligence of major proportions, in both collection and analysis.

Just who failed and why is blurred. One problem in assessing responsibility lies in the fact that the distinction between collector, analyst, and consumer is not clear. US Embassy Belgrade did its own collection and analysis. The State Department had other channels of information, including access to diplomats from Yugoslavia and other Soviet bloc countries in Washington. All could clearly have done more to probe behind the scenes once the "unusual events" became evident in April. The rumors that Soviet advisers had left Yugoslavia were apparently not investigated. Probes were made to discover why Hebrang and Zujovic had been sacked, but they clearly did not go deep enough. Leads outside Yugoslavia—the removal of Tito's portrait from places of prominence in Budapest in early January, for example—either went unnoticed or unexplored.

On the other hand, it can be argued that the considerable amount of available information should have been sufficient. If a clear-headed analyst had taken the time to put together the various hints in Yugoslav and Soviet

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[59] Telegram, Reams to Secretary, 18 June 1948, *FR*, 1948, IV, p. 1073.

[60] Stefan, "Emergence of the Soviet-Yugoslav Break," p. 402.

[61] Armstrong, *Tito and Goliath*, p. 90.

[62] Stefan, "Emergence of the Soviet-Yugoslav Break," p. 404.

(Continued...)

bloc propaganda, in reports of discussions with Yugoslav officials, and in various indications of political churning within the regime, the truth might have emerged 10 days before it was publicly evident. It would be unfair, however, and not a little risky for a latter-day analyst, using mostly the paper traces of the period, to point the finger of blame at his colleagues of an earlier era. The constraints under which bloc-watchers operated in both the field and in Washington are hinted at in the historical record, but by no means fully known.

There may, indeed, be several reasons, some better than others, that explain why the US Government remained in the dark so long. One that does not seem valid is that the quality of the observers in the field or in Washington (and London) was especially low. The State Department had a highly professional career service in 1948 that was at the height of its postwar prestige. Cannon (although clearly too cautious on the prospect of a split), Reams, and others in the Belgrade embassy were talented officers who served with distinction before and after 1948. In Washington, Secretary of State George C. Marshall had perhaps the most talented gathering of senior officers the State Department had ever enjoyed. In his brief tenure, the department had prestige and influence in Washington's foreign policy community probably unparalleled before or since in the Cold War. If any institution should have worked well, it should have been the State Department of 1948.

One possible reason for the failure is that there were not enough people considering the general subject of Yugoslavia or inner Soviet bloc relations. If—one likes to think—there had been an analytical community with enough resources to dedicate to the contemplation of Yugoslav politics or Moscow's ties to its satellites, someone would have come up with a correct assessment, say in April or May 1948. (The question, of course, would remain whether the analyst who deduced the split would have then been able to have his views coordinated within his presumably doubting bureaucracy and approved by his superiors. Even if he had, it is by no means clear that the policymakers would have taken the assessment seriously.) As it was, the analytical arms of the State Department, CIA, and the military were small and probably lacked the time to wonder about the improbable.

One obvious explanation of why Western observers continued to write off Tito as a Soviet stooge is that there were many good reasons to do so. Until early 1948 Tito and his colleagues thought of themselves as an extension of a communist empire headquartered in the Soviet Union and tried, although with diminishing conviction, to act the part. To outsiders not privy to the Yugoslav party's internal discussions, the regime's economic, political, and military ties symbolized their subservience while their propaganda trumpeted their fidelity. Witnesses inside the Yugoslav party report that when Tito received, in effect, his letter of rejection from Stalin in March, he and his colleagues were stunned, and they thrashed about for some time trying to find ways to retrieve their lost position without losing their independence and their lives. For several months they, as did Stalin, attempted to conceal the differences from the outside world; Yugoslav praise of Stalin became, for a while, even more shrill.

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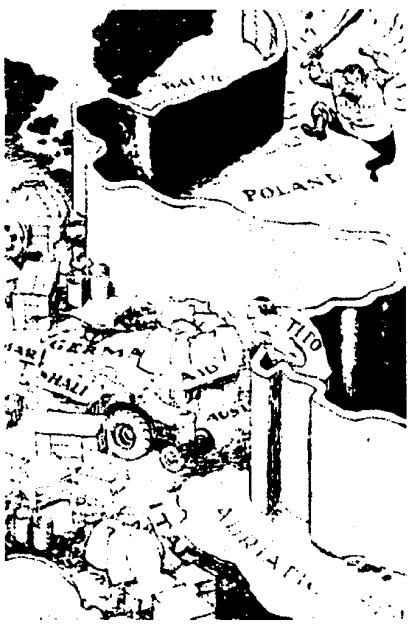
Greener Pastures



The internal political upheavals proved only confusing and misleading. The removal of Hebrang and Zujovic was traced to rightist deviationism, a charge that was true but misleading, in that it led Western observers to believe that this put these staunch Kremlin-backers at odds with Moscow. The extraordinary internal security measures had numerous possible explanations. Moreover, when less ambiguous signs of trouble in the relationship did appear, they surfaced against the background noise of continuing hostility toward the West in both propaganda and harassment of Western diplomats in Yugoslavia.

These facts played to a mind set in Washington that was, following a period of wartime and early postwar debate over whether Stalin could be trusted, finally comfortable with the certainty of who the enemies were. Certainty about Yugoslavia was especially firm after the wartime experience of supporting a seemingly friendly Tito who then turned to Russia after his position was secure. With the verity that the Kremlin pulled the strings in each communist country reinforced daily by treaties, propaganda, and deeds, the fact that Yugoslavia was unoccupied by a Soviet army and was run by locals seemed of minor significance. With the Truman Doctrine and the Marshall Plan in operation, early 1948 was a period of action rather than open-minded reflection about the Soviet bloc.

Analytical Rubbish

Yet one diplomat-cum-analyst did call it right, and he did so before there was significant evidence to support his case. Charge d'Affaires John Cabot foresaw the split over a year before it became public knowledge. In his February 1947 cable complaining about the regime's lupine malevolence, he also offered the guess that there were factions within the government that might favor being responsive to the will and needs of the Yugoslav people. Although he opposed a policy of unilateral concessions, he suggested that with "great patience, urbanity and firmness but not rigidity to negotiating we may get somewhere eventually." The United States should not, he advised, "slam the door in Tito's face." [63]

In June, he again observed that Yugoslav interests "may not always blindly follow Russian instructions." Considering the way "Tito and company

[63] Telegram, Cabot to Secretary, 15 February 1947, *FR*, 1947, IV, p. 763.

like to strut around it would be surprising if they were not at times irked at not being masters in their own house." [64]

Shortly before he left for his post in Shanghai—where he wrote equally prescient dispatches about the prospects for a communist China independent of the Kremlin—Cabot made his most forceful case. On 7 July 1947, he suggested to Washington that commmunism in Yugoslavia already showed "significant divergences from Russia, despite its position as favorite child." The regime was

> as suspicious, arbitrary, brutal, intolerant of opposition, fanatical and tortuous as Russians. On the other hand, it leads by no means the hermit-like existence led by Russian Communism. . . . The Partisans, though largely communist inspired and led, are a very heterogeneous group. Differences of opinion clearly exist between them, even though they are very discreet. Effective opposition to Soviet domination is more likely to come from the Partisan ranks than from the opposition. Conflicts of interest with Russia are inevitable, and the intense nationalism of the country [would] play a decisive role if an acute situation arose. By the same token, there are moderates and fanatics in Yugoslav government ranks who might under special circumstances irrevocably split.

He also noted "a few faint signs" suggesting that "a change in fundamentals cannot be altogether ruled out." [65]

The guiding light in Cabot's analysis was nationalism. He saw it as having a potentially more profound grip on Yugoslav actions than ideology. He saw the irritation that already existed in the Soviet-Yugoslav relationship. He saw that Tito was still effectively in control of his country and that he and his countrymen had the pluck to maintain their independence. With the possible exception of Stalin, Cabot may have seen all of this before anybody else, in either East or West.

His views, however, were not greeted charitably in Washington. When Cabot's 7 July cable reached the State Department, it was reportedly shown to Under Secretary of State Dean G. Acheson, who wrote across it "Rubbish." [66]

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[64] Telegram, Cabot to Secretary, 7 June 1947, *Ibid.*, pp. 806-7.

[65] Telegram 1063, Cabot to Secretary, 7 July 1947, 860H.00/7-47, RG 59, NA. This document is printed in part in *FR*, 1947, IV, pp. 818-25.

[66] Although I have not seen this document with the writing on it, it has been described to me by the person who organized Cabot's papers. Cabot is said to believe that the writing was by Acheson. He is also said to have taken great pride in the cable and to have been, in later years at least, amused by the department's response.